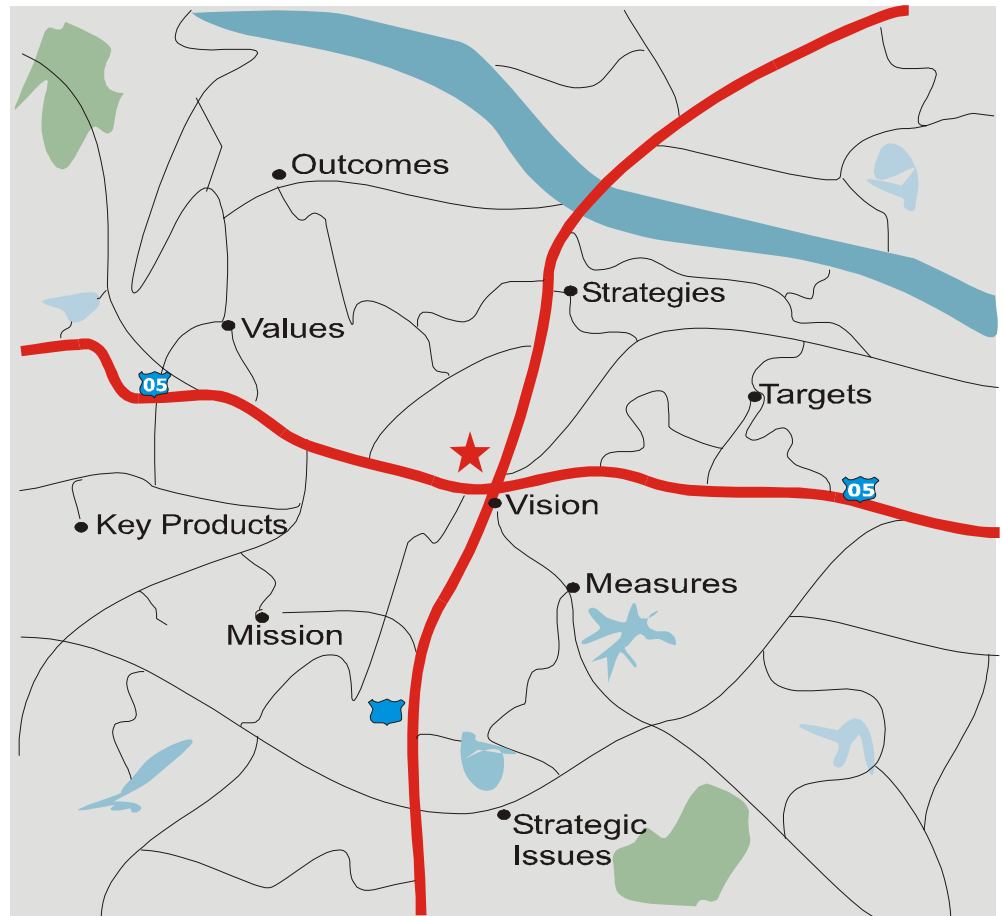


# Strategic Plan Fiscal Year 2005



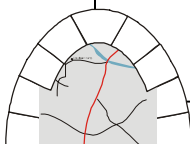
# Missouri

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Department of Revenue  
Carol Russell Fischer, Director of Revenue

# Index

Overview .....	2
Vision, Mission, Values.....	3
Outcomes, Strategic Issues - Listing .....	4
Key Operational Products - Listing .....	5
Key Support Products - Listing .....	6
Outcomes with Measures .....	7
Strategic Issues with Explanatory Statements.....	15
Key Operational Products - Detail .....	18
Division of Taxation and Collection .....	19
Division of Motor Vehicle and Drivers Licensing.....	34
Key Support Products - Detail.....	44



## Overview

The Missouri Department of Revenue (department) conducted a series of planning meetings with leadership representatives from throughout the department to determine department priorities for Fiscal Year 2005. Priorities include the efficient and effective management of the identified key operational and support products to enhance revenue collection for the state of Missouri. In addition, priority focus was given to department-wide strategic issues that effect the department's operation.

Key products and services were selected based on their role in fulfilling the department's role of collecting revenue to fund state government operations. It is in its capacity as the chief collector of revenue that the department supports the Governor's Managing for Results Initiative. In fiscal year 2003, the department collected \$6.9 billion or 95 percent of state general revenue and \$3.8 billion in other state funds. In addition, the department collected for and distributed to Missouri cities, counties, and other political subdivisions about \$2.2 billion of non-state funds.

The department's strategic plan focuses on the outcomes, key products, and strategic issues of the department. Each of the four outcomes has at least one measurement represented with at least four years of historical data. Measures, targets, and strategies have been developed for key products. By focusing on these priority areas, the department has been able to achieve efficiencies in its processes and deliver its products to its customers, the citizens of Missouri, more timely and with less hassle, and collect revenues for the state at an ever-higher level of efficiency. Continuing this focus is expected to achieve continued improved results during this planning period.



# *Department of Revenue Strategic Plan*

## **Vision**

Simplify

## **Mission**

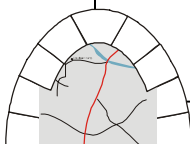
Improving what we do to make the government work for you. We:

- Collect taxes and fees to provide resources to serve the needs of Missouri
- Ensure compliance with driver licensing and related laws to help keep Missouri's roads safe
- Provide assurance of ownership needed for buying, selling, and financing motor vehicles and marine craft

## **Values**

We are dedicated to serving our customers fairly and with the highest level of integrity. We value our:

- *Bottom Line*  
Measuring our performance and communicating results
- *Front Line*  
Involving all employees in improving our performance
- *Customer Line*  
Asking customers what they want and ensuring the lines of communication are open so they can tell us



## Outcomes

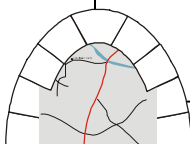
- Increased customer satisfaction
- Increased voluntary compliance
- Decreased cost of compliance
- Increased quality performance

## Strategic Issues

- Improve communication
- Secure adequate resources for the department
- Validate the department's understanding of customer expectations
- Make the Department of Revenue a great place to work
- Ensure the viability of information technology
- Improve central office support of field offices (including agent offices)
- Improve and standardize departmental measures
- Expand alternative service delivery methods
- Manage departmental processes in the face of potentially diminishing resources
- Implement a Customer Relationship Management system
- Ensure business continuity
- Improve legislative support processes
- Ensure a sufficient, quality, and diverse workforce
- Foster business relationships and partnerships
- Ensure security and privacy

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Continue improvement and achieve targets on key operational products and key support products.



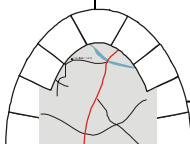
# Key Operational Products

## Division of Taxation and Collection

- Business Tax Collection Case
- Business Tax Registration
- Call Center Contact
- Corporate Income Tax Audit
- Corporate Income Tax Return
- Fuel Tax Return
- Individual Income Tax Collection Case
- Individual Income Tax Return
- Sales Tax Audit
- Sales Tax Return
- Taxation Field Office Contact
- Withholding Tax Return

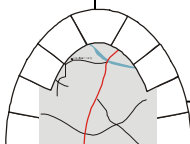
## Division of Motor Vehicle and Drivers Licensing

- Call Center Contact
- Driver License - Initial
- Driver License - Renewal
- Motor Vehicle and Driver License Field Office Contact
- Motor Vehicle Registration
- Motor Vehicle Title



## Key Support Products

- Budget Plan
- Cash Management Services
- Criminal Investigation Case
- Facilities
- Human Resources
- Information Technology
  - Network
  - Programming Support
  - Telecommunications
  - Web Site
- Insurance Verification (Enhanced Sampling Program)
- Legal Support
- Legislative Support
- Mail
- Purchasing
- General, Motor Vehicle and Drivers Licensing, and Taxation Regulations
- Training Plan



## Outcomes

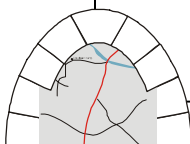
The department identified four outcomes that are key to measuring its success in meeting the needs and expectations of Missouri citizens. The Division of Taxation and Collection and the Division of Motor Vehicle and Drivers Licensing identified measures for each outcome.

*Increased Customer Satisfaction* is an indicator of how well we are serving the citizens of Missouri in the delivery of the department's key products of individual income tax filing, motor vehicle registration, driver license issuance, and sales tax filing.

*Increased Voluntary Compliance* measures the department's effectiveness in educating its customers on the importance of complying with laws and regulations and how effective the department is in delivering its key products so that citizens register and file voluntarily.

*Decreased Cost of Compliance* seeks to continually reduce the cost of government operations, products, services, and programs to the citizens. This includes both the cost to do business with the department (customer time and cost) and the cost to operate the department (state's cost). The department continuously examines its processes to eliminate all non-value added time and effort.

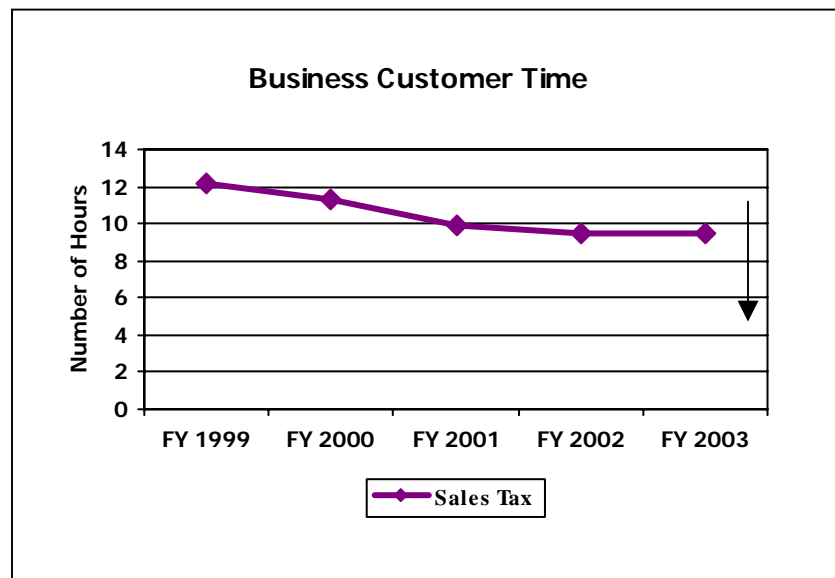
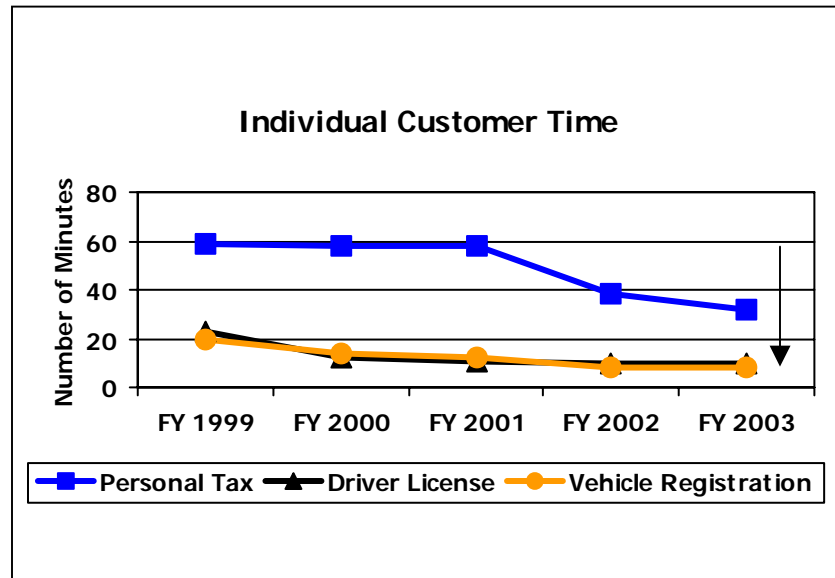
*Increased Quality Performance* focuses on the quality of the work by the department's teams and how well operational processes are functioning. In this area, root causes of errors and bottlenecks in processes, etc. are identified, and solutions to eliminate them are implemented. This can range from a process reorganization to specific job training for employees.





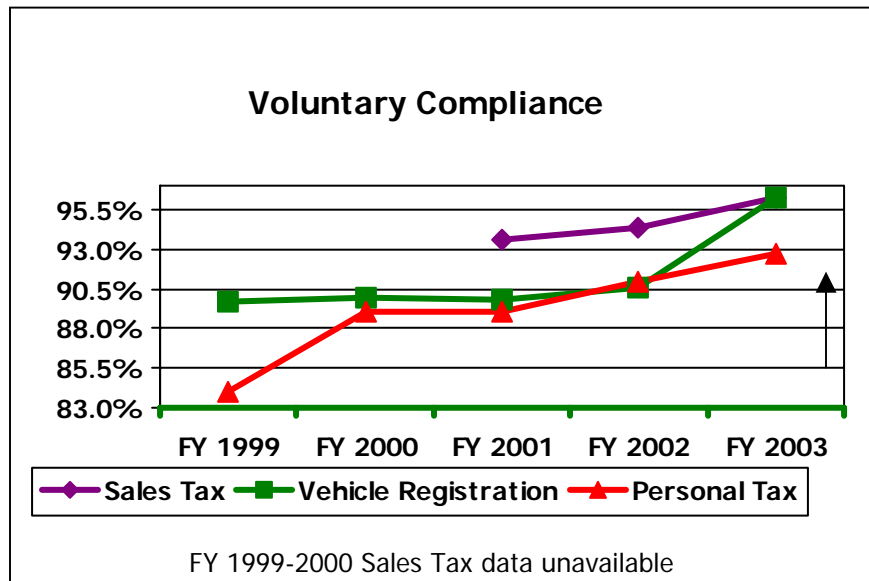
## Increased Customer Satisfaction

Time a customer spends annually for vehicle registration, personal income tax filing, driver license issuance, and average annual time a business spends to file sales tax returns.



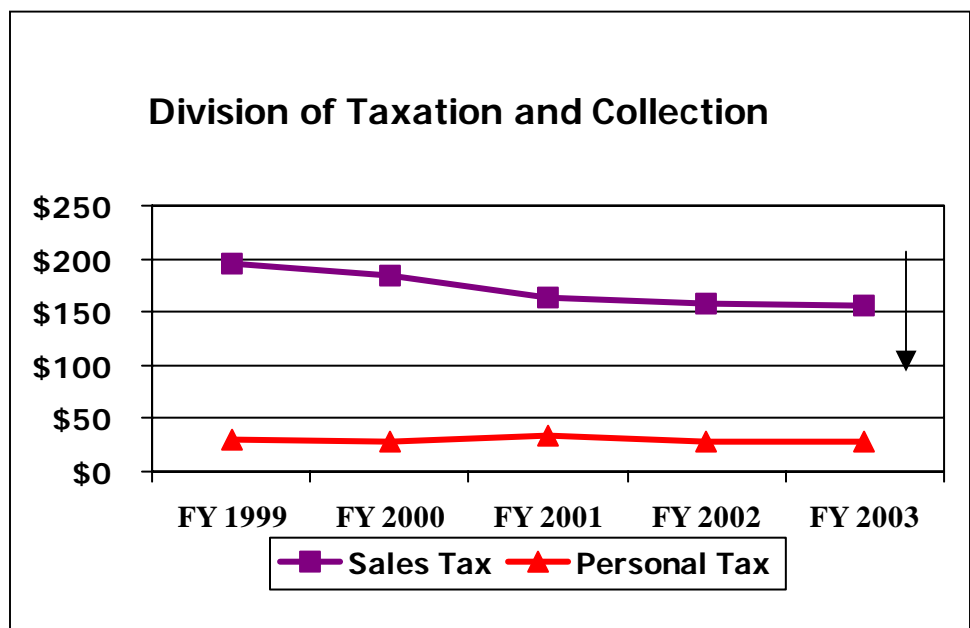
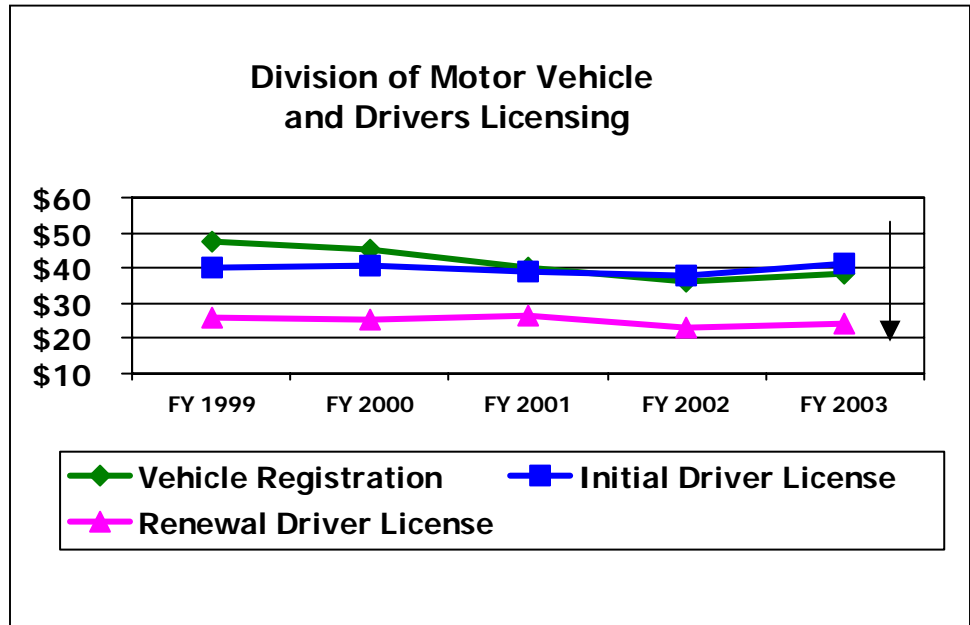
## Increased Voluntary Compliance

Percent of vehicle registrations, personal income tax filings, and sales tax returns completed accurately, correctly, and timely by the customer.



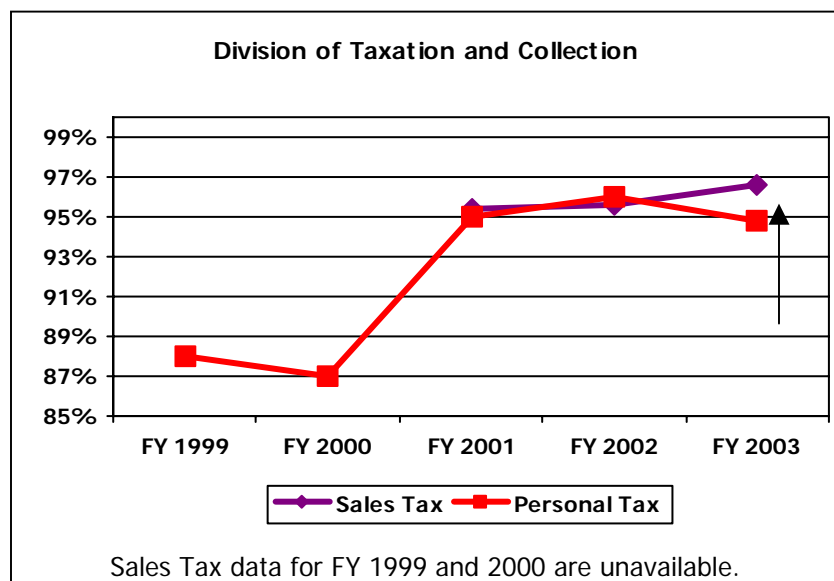
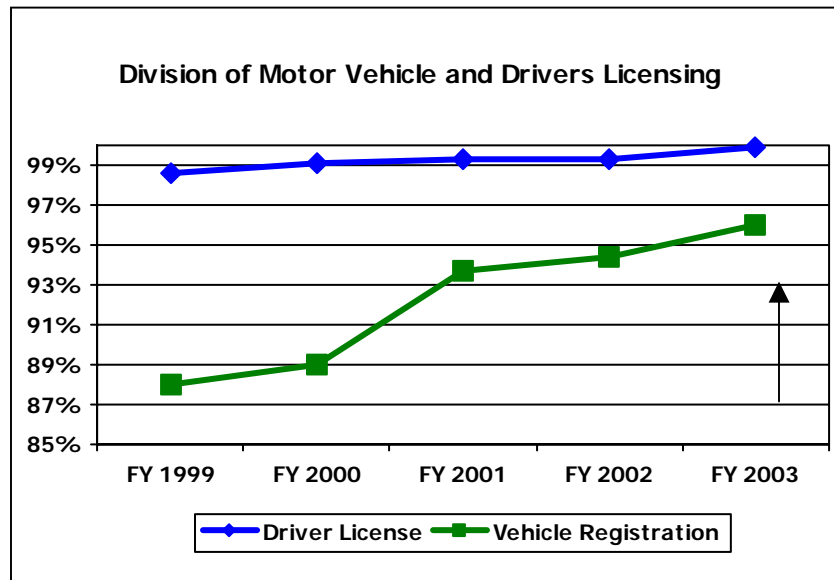
## Decreased Cost of Compliance

Cost of time and fees a customer spends annually for vehicle registration, personal income tax filing, driver license issuance, and the average annual cost of time a business spends to file sales tax returns; plus the department's annual cost.



## Increased Quality Performance

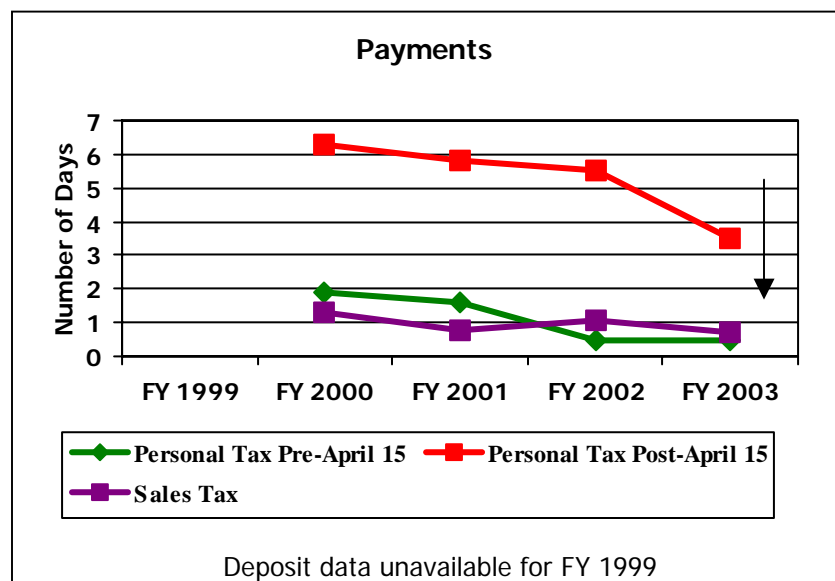
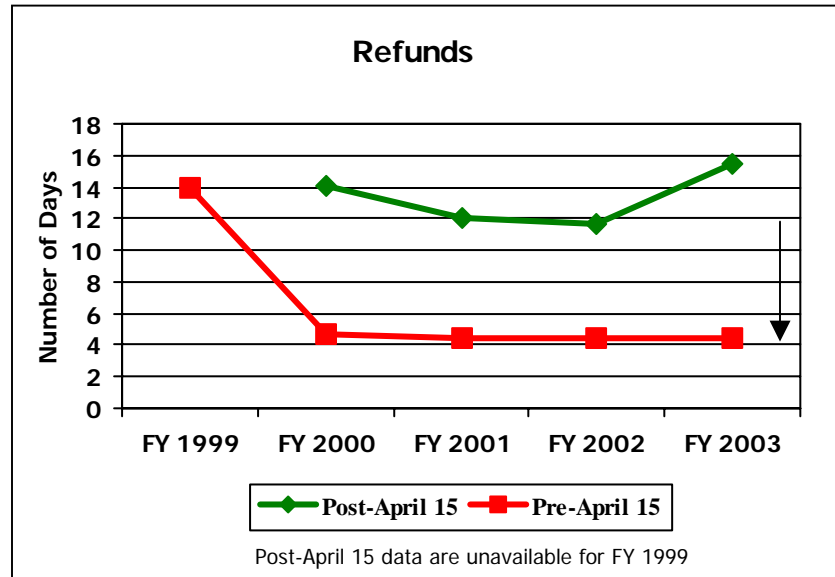
Percent of driver licenses issued, vehicle registrations, personal income tax returns, and sales tax returns processed accurately and correctly by the department the first time.



## Increased Quality Performance, continued

Number of days to process personal income tax refunds.

Number of days to deposit personal and sales tax payments.

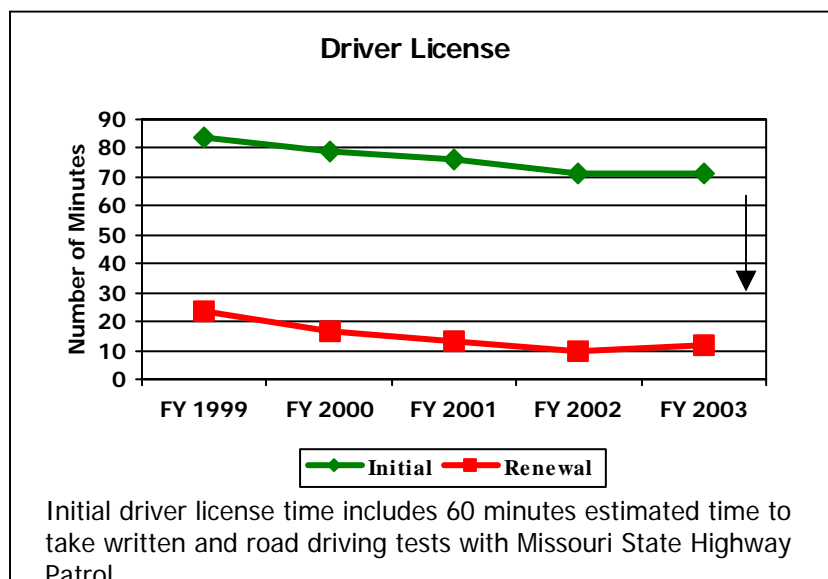
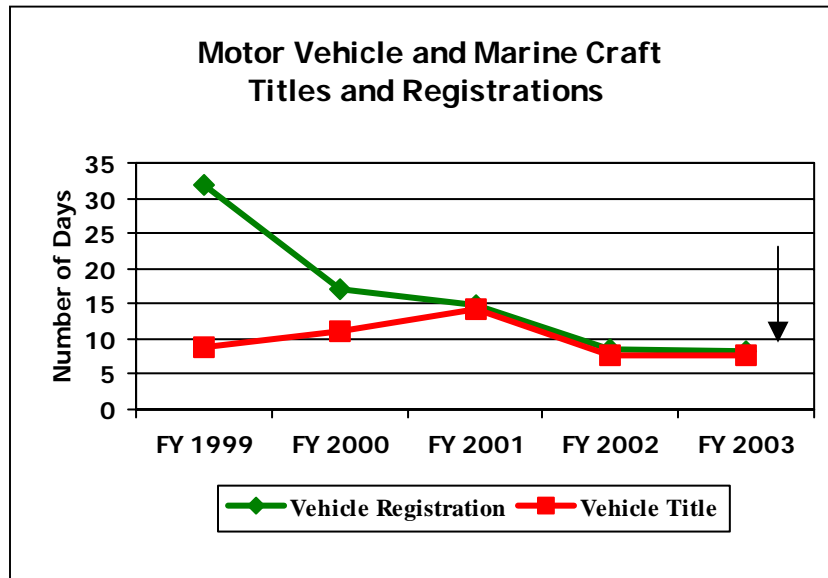


## Increased Quality Performance, continued

Number of days to process motor vehicle or marine craft titles.

Number of days to process motor vehicle or marine craft registrations.

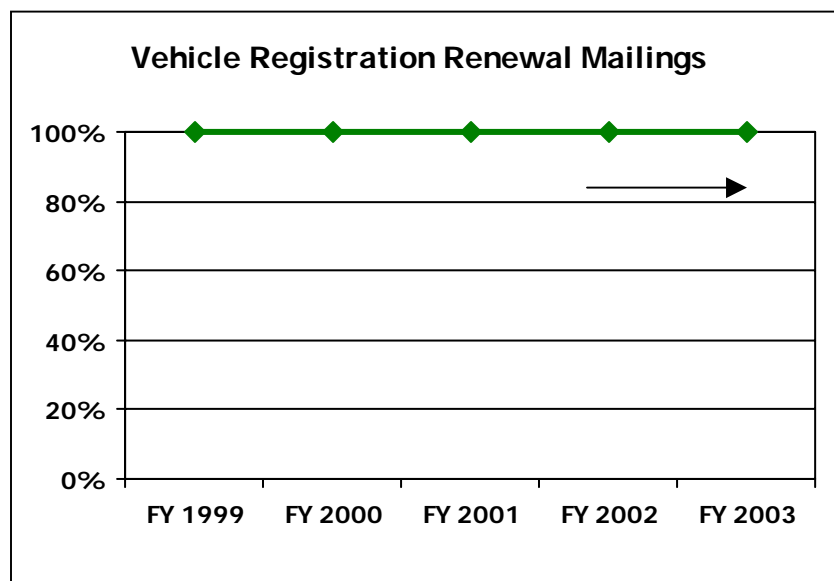
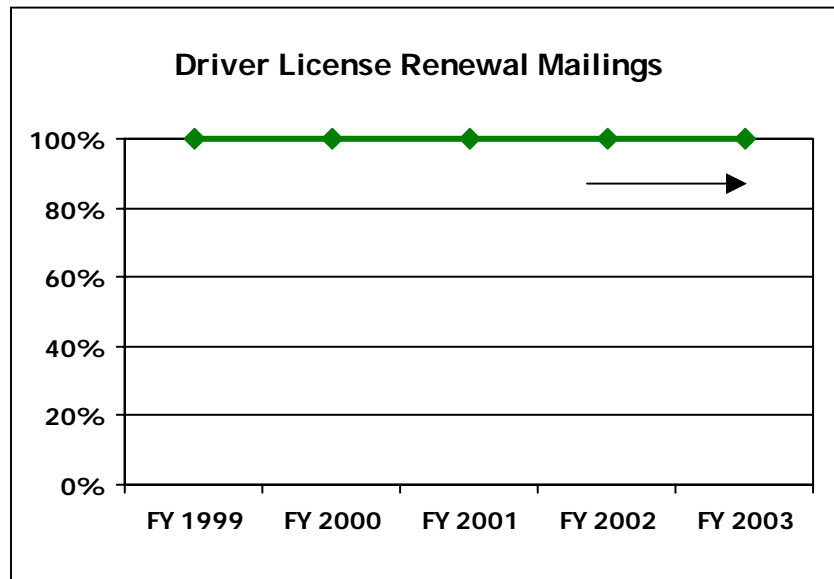
Number of minutes to process driver licenses.



## Increased Quality Performance, continued

Percent of time driver license renewal notifications mailed on time.

Percent of time motor vehicle and marine craft registration renewal notifications mailed on time.

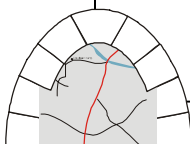


## Strategic Issues

Strategic issues are key to the department's ability to function in the most efficient and effective manner in the collection of revenue for the state, meeting customer expectations, and providing a working environment for employees conducive to their professional and personal development.

Coupling strategic issues with key products enables the department to monitor its performance on a macro- and micro-level for performance improvement. Strategic issues encompass the macro view in addressing department-wide issues. Many of the strategic issues identified are areas of general business improvement while others are special-purpose in nature.

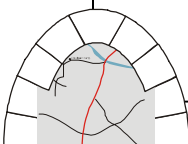
Members of the department's senior leadership team assume the lead roles in developing strategies, action plans, and solutions to negate the issue's impact on the department's operation.



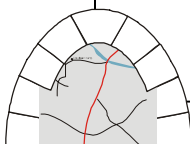


## Strategic Issues (with explanatory statement)

- *Improve communication*  
Improve customer and employee relations by systematically ensuring they receive the information they need clearly, timely, and in a useful form.
- *Secure adequate resources for the department*  
Ensure the department has sufficient resources to efficiently and effectively fulfill its vision, mission, values, outcomes, and legal responsibilities.
- *Validate the department's understanding of customer expectations*  
Understand current and anticipate future customer expectations to design products and processes that satisfy customers.
- *Make the Department of Revenue a great place to work*  
Clear communication of expectations and a commitment to excellence and innovation, creates a seamless organization, encourages fun, and respect for colleagues.
- *Ensure the viability of information technology*  
Using appropriate technology is essential to achieving departmental outcomes.
- *Improve central office support of field offices (including agent offices)*  
Ensure field offices have the tools, information, and resources to achieve the department's strategic outcomes.
- *Improve and standardize departmental measures*  
Improve and standardize performance measures to communicate more effectively the department's strategic and operational results.



- *Expand alternative service delivery methods*  
Make interactions with the department accessible and convenient through alternative and innovative delivery methods.
- *Manage departmental processes in the face of potentially diminishing resources*  
Develop strategies to maximize our ability to achieve our outcomes and fulfill our legal responsibilities.
- *Implement a Customer Relationship Management system*  
Implement an integrated system allowing the employee to know the customer's portfolio.
- *Ensure business continuity*  
Ensure continuous service delivery of the department's processes and products to its customers.
- *Improve legislative support processes*  
Provide credible, objective information/counsel to stakeholders that result in sound public policy and legislation without adversely impacting the department.
- *Ensure a sufficient, quality, and diverse workforce*  
Practice our commitment to hire, train, develop, and maintain a sufficient, highly skilled, and diverse workforce.
- *Foster business relationships and partnerships*  
Develop and maintain appropriate third-party relationships to improve departmental efficiency.
- *Ensure security and privacy*  
Protect privacy of information and provide workplace, data, and personal security by establishing and communicating standards and processes consistent with law.

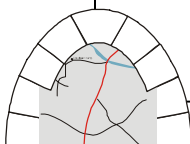


## Key Operational Products

Five years ago, the department's leadership identified key products administered by the two operating divisions that are critical to the department achieving its four outcomes. Since then, baseline data, benchmarks, strategies, and targets for these products have been identified and further developed each year. Leadership of the department, in partnership with product owners, analyzes the key product information quarterly to determine if the strategies in place are producing desired results or if corrective action is needed.

The department utilizes a tiered measurement approach. The product owners utilize a broad set of metrics on a daily and weekly basis to ensure their strategies and measures are appropriate. Monthly divisional meetings are conducted with the division's director and deputy director to analyze key divisional measures. Department-wide reviews by senior leadership are conducted quarterly. During these reviews, product owners present data on volume, cycle time, yield, unit cost, and unit value. Strategies in place to meet targets are discussed and successes celebrated.

Maintaining focus on critical products provides assurance that the department is providing an efficient revenue collection process, providing the best customer service to the citizens of Missouri, and operating as effectively and efficiently as possible.



**Business Tax Collection Case**

Measure	FY 1999 Baseline	FY 2003 Results	Benchmarks			Targets		
			A. Iowa	B.	C.	FY 2004	FY 2005	FY 2006
Number of accounts opened	108,583	92,314				91,000	90,500	82,000
Number and type of accounts closed:								
Total	105,257	89,146				90,000	87,000	85,000
Payments	61,221	41,892				45,000	45,000	44,000
Information	43,679	46,878				44,500	41,500	40,500
Pay Plans	357	376				500	500	500
Revenue generated (millions)	\$104.0	\$135.9				\$128	\$119	\$122
Percentage of cases closed by timeframes:								
1-90 days	88%	83%	69%			90% in 90 days	90% in 90 days	90% in 90 days
91-180 days	8%	8%	within					
181-364 days	2%	3%	180					
1 + years	2%	6%	days					
Total cost to produce:								
Total	\$5,500,000	\$4,626,324				+/- .5%	+/- .5%	+/- .5%
Expense & Equipment	\$2,800,000	\$2,580,639						
Personal Service	\$2,700,000	\$2,045,685						
Average cost per account	\$52.05	\$51.90				+/- .5%	+/- .5%	+/- .5%
Return on investment	\$18.98	\$29.38				+/- .5%	+/- .5%	+/- .5%

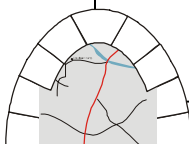
**Strategies:**

**On-going Strategies:**

- Convert Missouri Integrated Tax System (MITS) notices to a tear-off form to facilitate payment processing.
- Develop web filing for sales and withholding tax accounts.
- Develop procedure to refer delinquent withholding and corporate accounts to Secretary of State's office for dissolution.

**New Strategies:**

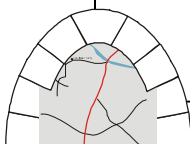
- Implement Amnesty program in Fall of 2003.
- Implement new legislation to enhance collections:
  - House Bill 600: state vendor listing and franchise tax on non-filers.
  - Senate Bill 11: non-resident entertainer and athlete enforcement.
- Participate in implementation of Computer Assisted Collection System (CACS+) upgrade and Strata, a decision-making engine software.



## Business Tax Registration

Business Tax Registration was identified this year as a key operational product for its contribution to and significant impact on the department achieving its outcomes of increased customer satisfaction, increased voluntary compliance, decreased cost of compliance, and increased performance excellence.

Baseline information, benchmarks, measures, and targets are being researched and developed during Fiscal Year 2004.

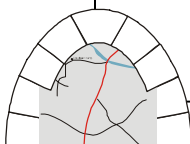


## Corporate Income Tax Audit

Measure	FY 1999	FY 2003	Benchmarks			Targets		
	Baseline	Results	A	B.	C.	FY 2004	FY 2005	FY 2006
Number of audits opened	529	393				500	520	520
Number of audits closed:								
High complexity	116	96				115	120	120
Medium complexity	406	331				305	315	315
Low complexity	263	253				80	85	85
Revenue generated per audit	(FY 2001) \$19,300	\$62,708						
Department's average cost to produce one audit	\$1,606	\$1,680				\$1,650	\$1,600	\$1,600
Department's return on investment	\$32.17	\$37.96						
Average number of days in an audit cycle	(FY 2001) 149	146				130	125	125
Average number of hours per audit	(FY 2001) 30	24				24	22	22
Percent of employee turnover	(FY 2001) 16%	11%				11%	11%	11%
Number of employees	(FY 2001) 194	186				205	210	210

### Strategies:

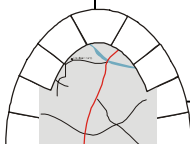
- Continue education program for auditors that includes both computer and tax issue training.
- Continue Taxpayer Education/Audit Support Group.
- Create pay proposal within budget limitations to help auditor recruitment and retention efforts. Use the information introduced from the Audit Recruitment Team to increase retention.
- Establish an internal certification program for auditors to promote auditor education and to allow for progressing auditors within their pay ranges, thereby helping to reduce auditor turnover.
- Develop and utilize computer systems to assist auditors:
  - Create a datamart of current systems to aid in the development of audit lead research and assist in audit procedures.
  - Keep current a newly created database of tax issues for the department's use.
  - Create and implement a new tracking system of audits opened and completed.



- Increase central office communication to field office staff:
  - Implement procedure that Jefferson City management visit Missouri field offices and conduct or attend informational meetings at least once a year.
  - Implement procedure that staff of the General Counsel's Office visit Missouri field offices once a year.
  - Implement procedure that an Audit Review Specialist visit Missouri field offices once a year.
- Implement a more aggressive approach to verifying refunds (without increasing field office staff's work) to prevent erroneous claims filed by consultants:
  - Implement procedure where audit staff will be available to work with the refund section.
  - Implement more aggressive procedure to make consultants and professionals more accountable for submitting quality refunds and documentation.
- Continue to work with Leadership Development Program (LDP) group regarding auditor recruitment and retention.

*Special Note:*

Per discussions between Field Audit and the Division Director's Office, targets have not been set for revenue produced. While revenues need to be measured, setting targets would be inappropriate given the compliance function of Field Audit.



## Corporate Income Tax Return

Measure	FY 1999	FY 2003	Benchmarks			Targets		
	Baseline	Results	A	B.	C.	FY 2004	FY 2005	FY 2006
Number of returns processed by type:								
Original Returns	68,009	34,365				280,000	120,000	120,000
Amended Returns	15,971	6,555				6,500	6,500	6,500
Percentage of returns by type processed correctly on the first try:								
Original Returns	49%	46%				60%	65%	70%
Amended Returns	12%	7%				10%	15%	20%
Revenue generated (millions)	\$276.0	\$249.7						
Cost to correct mistakes by type:								
Original Returns	\$195,743	\$198,859						
Amended Returns	\$49,021	\$94,673				+/- .2%	+/- .2%	+/- .2%
Number of days to process one return:								
Original Returns	21.2 days	15 days				7 days	6 days	5 days
Amended Returns	16.7 days	20 days				15 days	13 days	11 days
Corporate and Franchise integrated returns (CAFE)	(FY 2003) 14 days	14 days				7 days	6 days	5 days
Total cost to produce:								
Original Returns	\$625,658	\$682,007						
Amended Returns	\$150,544	\$278,028				+/- .2%	+/- .2%	+/- .2%
Cost to produce one	\$9.25	\$39.87				\$14.00	\$12.00	\$10.00
Cost to customer (time and money) to produce one	\$129	\$100				\$100	\$100	\$100
Total cost to the customers (time and money) (millions)	\$10.8	\$3.8				+/- .2%	+/- .2%	+/- .2%
Number of telephone calls caused by this product	(FY 2001) 14,985	15,457				10,000	9,000	8,000

### Strategies:

- Integrate the franchise tax return processing into the Corporate Income Tax System (COINS).
- Revise the corporate extension process to allow an extension to be entered by a voucher through the remittance processor.
- Revise the internal Strategic Plan Update Document (SPUD) tracking reports to incorporate franchise tax including S corporation returns.
- Propose a plan for reorganizing the current corporate income tax section and the current franchise/nexus section to realign the sections to better fit the new process.
- Work with Office of Legislation and Regulations (OLR) to recommend legislative changes to Chapter 147, Franchise Tax, to conform with Chapter 143, Income Tax.
- Work with the Internal Revenue Service (IRS) as it develops its electronic filing of corporate income tax returns.





## Fuel Tax Return

Measure	FY 2002	FY 2003	Benchmarks			Targets		
	Baseline	Results	A.	B.	C.	FY 2004	FY 2005	FY 2006
Number of paper returns filed	8,700	8,652				7,800	7,200	6,000
Percentage of returns filed electronically	(FY 2003) 3%	3%				7%	14%	29%
Revenue generated (millions)	\$719.8	\$735						
Percentage of revenue received through electronic funds transfer (EFT)	0%	28%				50%	75%	100%
Number of days from receipt to deposit	1 day	1 day				1 day	1 day	.5 day
Number of telephone calls received	18,870	18,736				18,500	18,000	17,500
Percent of returns with errors:	12%	N/A						
Entry not equal to calculated total	N/A	6%				5%	4%	3%
Entry not equal to schedule calculation totals	N/A	8%				7%	6%	5%
Number of days to process through initial entry:								
Money Returns	1 day	1 day				1 day	.5 day	.5 day
No activity Returns	N/A	2 days				2 days	2 days	2 days
Information Only Returns	N/A	2 days				2 days	2 days	2 days
Returns with Refunds	N/A	2 days				2 days	2 days	2 days
Number of days to process non-electronic data interchange (EDI) returns through final entry	(FY 2003) 20 days	20 days				20 days	20 days	20 days
Number of fuel refund claims processed	18,488	17,997				18,500	18,500	18,500
Number of days to process fuel refund claims	(FY 2003) 14.8 days	14.8 days				12 days	10 days	10 days

### Strategies:

- Continue to reduce the number of paper returns filed by increasing the number of returns filed electronically:
  - Market Electronic Data Interchange (EDI) program to licensees.
  - Introduce legislation mandating EDI allowing for phase in over several years.
  - Develop online filing for small returns.
- Increase EFT payments:
  - Market EFT program to licensees.
  - Require EFT by regulation.
- Reduce telephone calls through brainstorming issues and identifying and implementing solutions.
- Reduce errors:
  - Brainstorm issues and identify and implement solutions.
  - Increase the number of EDI filers.
- Reduce processing time by identifying bottlenecks, implementing solutions, and increasing the number of EDI filers.
- Reduce processing time on refunds by identifying bottlenecks and customer issues; brainstorming and implementing solutions.



## Individual Income Tax Collection Case

Measure	FY 1999	FY 2003	Benchmarks			Targets		
	Baseline	Results	A.	B.	C.	FY 2004	FY 2005	FY 2006
Number of accounts opened	172,314	194,133				185,000	185,000	185,000
Number of accounts closed:								
Total	178,296	188,890				180,000	180,000	180,000
Payments	161,166	136,245				144,000	144,000	144,000
Information	14,799	52,645				36,000	36,000	36,000
Pay plans	2,331							
Revenue generated (millions)	\$76.9	\$73				\$76.5	\$80.5	\$80.5
Percentage of cases closed by timeframe:								
1 – 90 days	60%	62%				70%	70%	70%
91 – 365 days	30%	23%						
1 + years	10%	15%						
Department's cost to produce (millions):								
Total	\$4.2	\$6.0				\$6.1	\$6.5	\$6.7
Expense and Equipment	\$2.7	\$3.9						
Personal Service	\$1.5	\$2.1						
Department's cost to produce one	\$23.70	\$31.74				\$33.88	\$36.11	\$37.22
Return on investment	\$18.19	\$12.17				\$12.54	\$12.36	\$12.01
Percentage of correspondence answered within 30 days	(FY 2001) 36%	79%				70%	80%	80%
Revenue generated by the discovery programs (millions)	(FY 2001) \$26.4	\$25				\$25	\$26	\$26
Amount of pre-billing discovery collections (millions)	(FY 2001) \$8.4	\$7.8				\$8.7	\$10	\$10
Cost of the discovery programs	(FY 2003) \$382,072	\$382,072				\$500,000	\$500,000	\$500,000
Return on investment of the discovery programs	(FY 2003) \$20.59	\$20.59				\$17.40	\$20	\$20

### Strategies:

- Deploy Amnesty in the Fall of 2003.
- Develop strategies to increase petitions and referrals after completing Fall 2003 Amnesty.
- Install and implement Computer Assisted Collection System (CACS) upgrade.
- Install and implement Strata decision-making engine software.
- Implement provisions of House Bill 600 of state employee match, attorney match, general assembly match, judicial match, statewide elected official match, and professional registration match to filing of individual income tax return.



## Individual Income Tax Return

Measure	FY 1999	FY 2003	Benchmarks		Targets		
	Baseline	Results	A. California	B. Illinois; Indiana; Delaware	FY 2004	FY 2005	FY 2006
Number of returns processed: (millions)							
Total	2.7	2.7			2.7	2.7	2.8
Paper	2.3	1.6			1.6	1.5	1.5
Telefile	.08	.05			.06	.06	.06
Electronic	.40	1.0			1.1	1.1	1.2
Percentage of returns processed correctly on the first try:							
Paper	69%	82%		IL 86.66%	83%	84%	85%
Telefile	93%	99%	72%	IN 91.5%	99%	99%	99%
Electronic	88%	96%		IN 96.03%	97%	97%	97%
Revenue generated (billions)	\$3.5	\$3.6					
Percentage of filers utilizing filing options:	(FY 2000)						
Long Form 1040	46%	30%			28%	26%	25%
Short Forms (ABC)	24%	20%			20%	21%	21%
Technology Filers	30%	50%			52%	53%	54%
Percentage of filers receiving a Notice of Adjustment	16%	7.3%	8.1%	IL 21.55%	7.0%	6.7%	6.5%
Average number of days to receive a refund:				IN 4-12 wk paper 3-11 wk dir dep IL 90 dy paper 10 dy elect			
Pre-April 15	14	13	15.4 d paper		4.3	4.3	4.3
Post-April 15	N/A	56.6	2 d electronic		13.5	13	12.5
Average number of days to make a deposit:	(FY 2000)						
Pre-April 15	1.9	.48	1	IL 1.3 days	.43	.40	.38
Post-April 15	6.3	3.5	8-12	DE 3 days	3.5	3.5	3.5
Department's cost to correct mistakes (thousands)	\$533	\$693			\$675	\$650	\$625
Number of days to process one return:							
Paper	21	5.9			5.0	4.8	4.3
Telefile	6	4.2			4.3	4.3	4.3
Electronic	6	4.2			4.3	4.3	4.3
Department's cost to produce (millions)	\$2.9	\$2.3			\$2.4	\$2.4	\$2.4
Department's cost to produce one	\$1.04	\$.86			\$.86	\$.87	\$.87
Cost to customers (time and money) to produce one	\$30.86	\$26.75			\$26.90	\$27.12	\$27.39
Customers total cost to produce (millions)	\$84.4	\$73.3			\$74	\$75	\$76
Citizens' return on investment	\$42.00	\$49.05					
Department's return on investment	\$1,120	\$1,530					

### Strategies:

- Simplify the income tax form and instructions.
- Emphasize technology filing methods in booklets and on the web page.
- Explore the possibility of following the Internal Revenue Service (IRS) in setting a new e-file due date.
- Continue revising the processing system and procedures to reduce data entry errors.
- Continue analyzing and eliminating edits in the system that flag returns for review when changes are not needed to the return.
- Provide support to Information Technology with the transition of the Speed-up process and conversion to Java.



## Sales Tax Audit

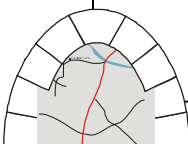
Measure	FY 1999 Baseline	FY 2003 Results	Benchmarks			Targets		
			A.	B.	C.	FY 2004	FY 2005	FY 2006
Number of audits opened	2,642	2,200				2,500	2,600	2,600
Number of audits closed:								
High complexity	432	392				375	390	390
Medium complexity	1,334	1,055				1,063	1,105	1,105
Low complexity	1,349	1,164				1,062	1,105	1,105
Revenue generated per audit	(FY 2001) \$11,790	\$11,998						
Department's average cost to produce one audit	\$3,412	\$4,350				\$4,300	\$4,200	\$4,200
Department's return on investment	\$3.10	\$3.90						
Average number of days in audit cycle	205	201				190	180	180
Average number of hours per audit	(FY 2000) 196	53				60	60	60
Percentage of employee turnover	(FY 2000) 13%	11%				11%	11%	11%
Number of employees	(FY 2000) 195	186				205	210	210

### Strategies:

- Continue to work with Leadership Development Program (LDP) group on auditor recruitment to attract qualified auditor candidates and improve employee retention.
- Work with LDP group on sales tax audit package to simplify and improve auditor preparation of audit package.
- Increase audit efficiency and taxpayer education by improving audit selection, analysis, and industry research through the use of available technologies.
- Create pay proposal within budget limitations to help auditor retention and recruitment efforts. Use the information introduced from the Audit Recruitment Team to increase retention.
- Establish internal certification program for auditors to promote auditor education and to allow for progressing auditors within their pay ranges, thereby helping reduce auditor turnover.
- Continue Taxpayer Education/Audit Support Group.



- Develop and utilize computer systems to assist auditors:
  - Create a datamart of current systems to aid in the development of audit lead research and assist in audit procedures.
  - Keep current a newly created database of tax issues for the department's use.
  - Create and implement a new tracking system of audits opened and completed.
- Increase central office communication to the field office staff:
  - Implement procedure that Jefferson City management visit Missouri field offices and conduct or attend informational meetings three times a year.
  - Implement procedure that staff of the General Counsel's Office visit Missouri field offices once each year.
  - Implement procedure that an Audit Review Specialist visit Missouri field offices once each year.
- Implement a more aggressive approach to verifying refunds (without increasing field office staff's work) to prevent erroneous claims filed by consultants:
  - Implement procedure where audit staff will be available to work with the refund section.
  - Implement a more aggressive procedure to make consultants and professionals more accountable for submitting quality refunds and documentation.
- Begin working with the department's public information officer to create press releases on pertinent audit and refund issues to notify the general public of these issues.



## Sales Tax Return

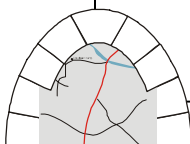
Measure	FY 1999 Baseline	FY 2003 Results	Benchmarks			Targets		
			A. Iowa Illinois	B. Florida	C. Delaware	FY 2004	FY 2005	FY 2006
Number of returns processed	807,780	667,719						
Percentage of returns processed correctly the first time:								
Long form	85%	91%		89.9%		92%	93%	93%
Voucher	87%	94%				95%	96%	96%
Revenue generated (billions)	\$1.178	\$1.281						
Percentage of first time filers submitting correct returns	(FY 2001) 84%	88%				89%	90%	93%
Percentage of returns with errors	14%	7.2%	(IA) 11.4%	13.3%	29%	7%	6%	6%
Percentage of returns with taxpayer errors	(FY 2001) 6.4%	3.75%				3.7%	3.3%	3.3%
Percentage of total returns received using vouchers	61%	50%				50%	50%	50%
Percentage of returns filed electronically	2%	4.1%				5%	10%	15%
Cost to correct mistakes	\$302,025	\$166,998				-3%	-3%	-3%
Number of days to process one return:	(FY 2000)							
Long form	4.78	2.98				2.8	2.7	2.5
Voucher	2.71	1.14			4.8	1.1	1.1	1.1
Average number of days from receipt in mail room to deposit	(FY 2001) .8	.74	(IL) 1.3	.39	.53	.7	.6	.6
Department's total cost to produce	\$1,289,490	\$1,380,532				-3%	-3%	-3%
Department's cost to produce one	\$1.60	\$2.07				-3%	-3%	-3%
Cost to customers (time and money) to produce one	\$3.12	\$2.53						
Total cost to the customers	\$2,519,241	\$1,689,141						
Customers' return on investment	\$468	\$758						
Department's return on investment	\$913	\$930						

### Strategies:

- Add the ability to the Missouri Integrated Tax System (MITS) and the Missouri Sales Tax (MOST) System to key returns with locations out of sequence.
- Develop new return edit and entry processes.
- Implement the amended return process change recommended by the Leadership Development Program (LDP) Sales Tax Amended Return (STAR) project team.



- Develop a tear-off payment voucher that will permit delinquent payments to be processed by the automated Remittance Processing System (RPS).
- Explore/Develop/Expand new alternative filing options for returns such as online filing.
- Work with Office of Legislation and Regulations (OLR) to draft legislation to change withholding tax and sales tax due dates so that they always fall two weeks apart.



## Taxation Call Center Contact

Taxation Call Center Contact was identified this year as a key operational product for its contribution to and significant impact on the department achieving its outcomes of increased customer satisfaction, increased voluntary compliance, decreased cost of compliance, and increased performance excellence.

Baseline information, benchmarks, measures, and targets are being researched and developed during Fiscal Year 2004.





## Taxation Field Office Contact

Taxation Field Office Contact was identified this year as a key operational product for its contribution to and significant impact on the department achieving its outcomes of increased customer satisfaction, increased voluntary compliance, decreased cost of compliance, and increased performance excellence.

Baseline information, benchmarks, measures, and targets are being researched and developed during Fiscal Year 2004.



## Withholding Tax Return

Measure	FY 2002 Baseline	FY 2003 Results	Benchmarks			Targets		
			A. MO Sales Voucher	B. FL Sales Voucher	C. DE Sales Voucher	FY 2004	FY 2005	FY 2006
Number of returns filed	926,067	960,928						
Number of returns processed correctly on the first try	95%	95%	94%	89.9%		96%	96%	96%
Percentage of returns with taxpayer errors (returns on Error Wrap as a result of taxpayer error)	1.76% (Based on 3 months data)	2.6%	3.75%			2.3%	2.1%	2%
Percentage of returns filed electronically	6.6%	13.9%	4.1%			18%	22%	26%
Number of days to process 941 form from start to finish	2.39	1.83	1.14		4.8	1.5	1.3	1.1
Number of days to deposit revenue on 941 return	.94	.56	.74	.39	.54	.5	.5	.5
Revenue generated (billions)	\$3.346	\$3.403						
Department's cost to correct mistakes	\$155,085	\$145,346				-5%	-10%	-12%
Department's cost to produce	\$764,357	\$743,354				-3%	-5%	-7%
Department's cost to produce one	\$0.83	\$0.77				\$0.75	\$0.73	\$0.72
Return on investment	\$4,378	\$4,579				\$4,720	\$4,819	\$4,923

### Strategies:

- Encourage payroll companies to file electronically to reduce cycle time, paper workload, and errors.
- Work with the Office of Legislation and Regulations (OLR) to draft legislation to change withholding tax and sales tax due dates so that they always fall two weeks apart.
- Work with the OLR to draft legislation to eliminate the withholding tax compensation deduction or change to a flat rate to increase revenue and reduce errors.
- Revise online data-entry edits to reduce errors.
- Promote electronic filing options through the web site, Employers Tax Guide, and vouchers.



**Driver License - Initial**

Measure	FY 1999 Benchmark	FY 2003 Results	Benchmarks			Targets		
			A. Louisiana	B. Iowa	C. Nevada	FY 2004	FY 2005	FY 2006
Number of licenses produced:								
Total	369,924	377,142				521,756	532,190	542,835
Initial	369,924	377,142	563,992	1,020,809		381,140	388,762	396,539
Non-driver						140,616	143,428	146,296
Revenue generated (millions)	\$2.45	\$3.95		\$12.0		\$5.5	\$5.6	\$5.7
Department's cost to produce one:								
Initial	\$26.50	\$24.99				\$28.74	\$27.22	\$25.31
Non-driver						\$8.54	\$7.42	\$5.89
Vendor document cost only	N/A	\$1.60/\$1.86	\$1.64	\$2.62	\$2.08	\$1.86	\$1.86	\$1.86
Customer cost to obtain license:								
Initial	\$40.04	\$41.21	\$20 to \$60		\$21.75	\$45.60	\$45.36	\$45.27
Non-driver	N/A	N/A	N/A			\$21.62	\$21.62	\$21.62

*Events affecting targets:*

- Fiscal 2003 – As of April 2003, \$0.26 per document increase.
- Fiscal 2004 – As of July 2003:
  - Branch office processing fees became effective.
  - Three-year base driver license documents will no longer be issued.
  - Full six-year licensing on base documents (drivers ages 21-69).
  - New Non-driver documents will be reported under Initial Driver License product; previously reported under Renewal Driver License Product.
- Customer cost to produce non-driver documents does not include Missouri State Highway Patrol (MSHP) test time.

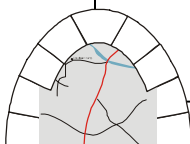
*Benchmarks for Initial Driver License:*

- Iowa benchmarks of number produced and revenue generated include renewals and initials.



### Strategies:

- Implement new driver license contract with improved security features and enhancements to improve quality and customer service.
- Conduct training for central and field office staff on new over-the-counter (OTC) system enhancements.
- Establish procedures for managing consumables.
- Implement Federal Mandates involving the Patriot Act, the 2000 Federal Audit, and the Federal Motor Carrier Safety Administration (FMCSA).
- Work with the Office of Legislation and Regulations (OLR) to propose and develop legislative language to reduce fraud.
- Conduct fraud training for driver license section staff in central and field offices.
- Implement new legislation by programming applicable changes to operating systems and communicating new procedures to central and field driver license staff, and Missouri State Highway Patrol (MSHP) staff.



## Driver License - Renewal

Measure	FY 1999	FY 2003	Benchmarks			Targets		
	Baseline	Results	A. Louisiana	B. Iowa	C. Nevada	FY 2004	FY 2005	FY 2006
Number of renewal licenses produced	1,461,821	1,677,384	563,992	1,020,809		452,137	588,899	868,469
Revenue generated (millions)	\$12.4	\$18.5		\$12.0		\$8.0	\$10.6	\$15.8
Department's cost to produce one	\$5.22	\$4.19				\$8.54	\$7.42	\$5.89
Vendor document cost only	(FY 2002) \$1.60	\$1.60/\$1.86	\$1.64	\$2.62	\$2.08	\$1.86	\$1.86	\$1.86
Customer cost to obtain license	\$26.14	\$23.98	\$20-\$60		\$21.75	\$33.32	\$33.62	\$33.82

### *Events affecting targets:*

- Fiscal 2003 – As of April 2003, \$0.26 per document increase.
- Fiscal 2004 – As of July 2003:
  - Branch office processing fees became effective.
  - Full six-year licensing on base documents (drivers ages 21-69).
  - Three-year base driver license documents will no longer be issued.
  - Duplicate documents are no longer reported. Duplicate documents accounted for 15 percent of the FY 2003 renewals produced.
  - New non-driver documents will be reported under Initial Driver License Product. New non-driver documents accounted for 8 percent of the FY 2003 renewals produced.
  - Increase in customer cost can be attributed to six-year fees versus three-year fees.
  - Increase in the department's cost can be attributed to the decrease in volume.
  - Volume increase in FY 2006 can be attributed to the first six-year renewal cycle.

### *Benchmarks for Renewal Driver License:*

- Iowa benchmarks of number produced and revenue generated include renewals and initials.

### **Strategies:**

- Implement new driver license contract with improved security features and enhancements to improve quality and customer service.
- Conduct training for central and field office staff on new over-the-counter (OTC) system enhancements.
- Establish procedures for managing consumables.
- Implement Federal Mandates involving the Patriot Act, the 2000 Federal Audit, and Federal Motor Carrier Safety Administration (FMCSA).
- Work with the Office of Legislation and Regulations (OLR) to propose and develop legislative language to reduce fraud.
- Conduct fraud training for driver license section staff in central and field offices.
- Implement new legislation by programming applicable changes to operating systems and communicating new procedures to central and field driver license staff, and Missouri State Highway Patrol (MSHP) staff.



## **Motor Vehicle and Driver License Call Center Contact**

Call Center Contact was identified this year as a key operational product for its contribution to and significant impact on the department achieving its outcomes of increased customer satisfaction, increased voluntary compliance, decreased cost of compliance, and increased performance excellence.

Baseline information, benchmarks, measures, and targets are being researched and developed during Fiscal Year 2004.



## Motor Vehicle and Driver License Field Office Contact

Measure	FY 1999	FY 2003	Benchmarks			Targets		
	Baseline	Results	A.	B.	C.	FY 2004	FY 2005	FY 2006
Number of transactions processed:								
Motor Vehicle	1,710,348	1,124,485				1,204,703	1,169,464	1,252,891
Driver License	666,297	609,693				470,250	479,655	489,248
Average wait time in minutes:								
Motor Vehicle	20	8				12	12	12
Driver License	23	10				10	10	10
Percentage of customers completing their transactions during their first visit to field office (1)	92%	95%	Pending	Pending	Pending	90%	90%	90%
Percentage of branch offices achieving 15-minute or less standard customer wait time (total of 11 branch offices)	18%	100%	Pending	Pending	Pending	100%	100%	100%
Percentage of motor vehicle title transactions completed correctly	(FY 2003) 98.8%	98.8%	Pending	Pending	Pending	98.5%	99%	99.5%

### Footnote:

(1) Measurement criterion changed in FY 2004 from percentage of transactions completed on first visit to percentage of customers completing their transactions on first visit. Change was made due to some customers having multiple transactions.

### Strategies:

- Reconvene Branch and Fee Office Team:
  - Conduct follow-up focus groups to obtain current customer priorities.
  - Use data collected to verify current customer priorities or establish new ones.
- Develop implementation plan for Federal Patriot Act incorporating strategies from the Initial and Renewal Driver License Product Plans.
- Utilize American Association of Motor Vehicle Administrators (AAMVA) organization-sponsored fraud training that was co-developed by departmental staff to reduce the number of fraudulent transactions.
- Develop a plan to accommodate for the obsolescence of the Uniform Field Office System (UFOS) in field offices:
  - Evaluate offices for equipment needs factoring in projected failure rates.
  - Use completed evaluation results to determine office(s) in which to expand use of leased counter systems as an interim solution.
  - Continue development of a new automated motor vehicle system to replace the UFOS as a permanent solution.



- Develop a plan to prevent and/or alleviate workplace violence and insecurity:
  - Conduct training for managers and employees to discern violent patterns in employees and customers and how to react to avoid escalation.
  - Install electronic surveillance cameras or faux surveillance cameras in field offices.
  - Install electronic burglar alarm security systems in field offices.
- Develop a plan to overcome language barriers and further develop a sensitivity to customer diversity:
  - Conduct diversity training for employees who work directly in customer service areas to further develop their appreciation for language and cultural differences.
  - Modify Licensing Technicians and Telephone Information Operators (TIOs) classifications to include a higher grade or additional pay for foreign language skills to aid in recruiting and retaining employees with these skills.
  - Utilize a contracted translation service through the Office of Administration (OA) to aid in foreign language translations.
- Develop a utilization plan for offices as a result of the decrease in transactions due to biennial registration renewals, six-year driver license period, and Internet registration renewals:
  - Develop a proactive plan in analyzing space requirements for offices as leases expire and requests for proposal are sought.
  - Evaluate/analyze information monthly and begin projecting/forecasting the net affect to the offices so appropriate plans can be developed and tailored by office.
  - Develop attrition/reallocation plans as results dictate.
  - Develop a staff reallocation plan optimizing full time equivalent (FTE) based on transaction counts in offices.
- Develop a plan to reduce expenses due to budget constraints:
  - Continue to review all spending to cut back wherever possible.
  - Continue to reduce mileage expenses by field staff traveling together to meetings whenever possible.
  - Do more single-day trips whenever possible to avoid hotel expenses; share hotel rooms as appropriate.
  - Have short meetings via conference call rather than traveling to a single location to meet.
- Develop a plan to ensure employees' salaries become competitive with private sector salaries.





## Motor Vehicle Registration

Measure	FY 1999 Baseline	FY 2003 Results	Benchmarks			Targets		
			A. Minnesota	B. Kansas	C. Arkansas	FY 2004	FY 2005	FY 2006
Number of registrations produced (millions):								
Regular	4.9	2.4				2.44	2.48	2.52
Biennial	(FY 2002) 1.4	1.6				1.57	1.60	1.63
Percentage of registrations produced correctly on the first try	88%	96.4%	94%	95-98%	91%	97%	97.5%	98%
Revenue generated (millions)	\$137	\$151.3				\$154.1	\$157.1	\$160.2
Cost to correct mistakes (thousands)	\$565.9	\$491.8						
Number of days to process one	36	8.31	12	1	1	8	7.5	7
Department's cost to produce (millions)	\$8.5	\$8.5				N/A	N/A	N/A
Cost to produce one	\$1.74	\$1.70				\$1.75	\$1.79	\$1.83
Cost to customers (time and money) to obtain/renew	\$47.51	\$40.27				\$39.46	\$40.20	\$41.00
Total cost to customers (millions)	\$234.5	\$182.2				N/A	N/A	N/A

### Footnotes:

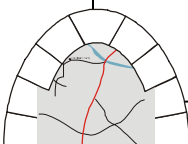
- In fiscal year 2001, a significant increase in revenue was generated due to customers electing the option of biennial registration that was effective July 1, 2000.
- A notable decrease in regular registrations has occurred since implementation of biennial registrations in July 2000. Regular one-year registrations dropped from 3.9 million in 2002 to 2.4 million in 2003 as the last cycle of citizens opting for biennial occurred during 2003.
- The cost to the customer to produce one registration will increase as the department is statutorily mandated to start charging the \$3.50 processing fee in all offices starting July 1, 2003. Reference Section 136.055 RSMo.

### Strategies:

- Implement the new automated computer system for issuance of titles and registrations.
- Reduce registration errors:
  - Eliminate the General Registration System (GRS) Error File and maintain a current status on errors generated from the GRS file update.
  - Continue to promote Missouri Online Renewal (MORE) system through news releases and education of customers.
  - Provide employees with additional training in areas that generate errors.



- Research and develop Internet programs to:
  - Renew disabled placards.
  - Transmit title application data for notice of vehicle sales from automobile dealers.
  - Continue online motor vehicle record expansion to include access to online reject system.
- Implement new legislation:
  - Implement procedures to change the disabled placard renewal period to a biennial renewal period.
  - Implement procedures for two-year drive-a-way plates.
  - Propose legislation to simplify titling and motor vehicle registration laws and fees.
- Create and implement a plan for staff utilization during peak work volumes to improve overall efficiencies.



## Motor Vehicle Title

Measure	FY 1999 Baseline	FY 2003 Results	Benchmarks			Targets		
			A. Minnesota	B. Kansas	C. Arkansas	FY 2004	FY 2005	FY 2006
Number of titles produced (millions)	2.63	2.33				2.28	2.33	2.37
Percentage of titles produced correctly on the first try	73%	91%	95%	90%	83%	93%	94%	97%
Revenue generated (millions)	\$537.7	\$625.5				\$613	\$619	\$625
Cost to correct mistakes (millions)	\$2.3	\$5				N/A	N/A	N/A
Number of days to process a title:								
Regular	8	7.7	16	21-28	7-10	7	6.5	6
Quick	3	1.3		8-10		1.2	1.1	1.0
Reject	N/A	24.8				25	24	21
Department's cost to produce (millions)	\$9.0	\$5.90				N/A	N/A	N/A
Cost to produce one title	\$3.59	\$2.55				\$2.55	\$2.52	\$2.50
Customers cost (time and money) to obtain a title	\$23.12	\$20.59				\$21.10	\$21.52	\$21.95
Total cost to customers (millions)	\$59.5	\$47.78				N/A	N/A	N/A

### Footnotes:

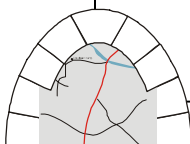
- A notable growth in revenue was generated in fiscal year 2002 due to the automobile industry offering a zero percent interest finance charge on automobile loans.
- The cost to the customer to produce one title will increase as the department is statutorily mandated to start charging the \$3.50 processing fee in all branch offices starting July 1, 2003. Reference Section 136.055 RSMo.

### Strategies:

- Implement the new automated computer system for issuance of titles and registration.
- Reduce the number of title errors:
  - Continue the work of the General Registration System (GRS) Error Team to eliminate the 100,000-plus errors remaining in the GRS error file.
  - Implement the Internet Notice of Lien program.
  - Explore additional edit improvements to the Lifeworks data entry system currently used by Driver and Vehicle Services Bureau (DVSB).
  - Further develop training courses for processing team employees in areas of high error rates.
- Increase communication with customers and stakeholders (dealers, lienholders, etc.) through utilization of the "List Serve" function.



- Research and develop new programs (Internet and/or mainframe) to increase efficiency and level of customer satisfaction:
  - Implement electronic Notice of Lien application effective July 1, 2003.
  - Continue research and development of the Internet application for notice of vehicle sales from automobile dealers to transmit title application data.
  - Provide online access to motor vehicle records.
- Create and implement a plan for staff utilization during peak work volumes to improve overall efficiencies.

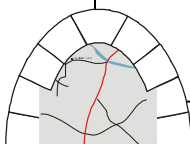


## Key Support Products

Five years ago, the department's leadership identified the key support products most critical to the success of the key operational products. Since then, baseline data, benchmarks, strategies, measures, and targets for these products have been identified and further developed each year. Leadership of the department, in partnership with product owners, analyzes the key support product information quarterly to determine if the strategies in place are producing desired results or if corrective action is needed.

The department utilizes a tiered measurement approach. The product owners utilize a broad set of metrics on a daily and weekly basis to ensure their strategies and measures are appropriate. Monthly divisional meetings are conducted with the division's director and deputy director to analyze key divisional measures. Department-wide reviews by senior leadership are conducted quarterly. During these reviews, product owners present data on volume, cycle time, yield, unit cost, and unit value. Strategies in place to meet targets are discussed and successes celebrated.

Maintaining focus on critical support products provides assurance that the department is able to provide an efficient revenue collection process in both of its operating divisions, providing the best customer service to the citizens of Missouri, and operating as effectively and efficiently as possible.



## Budget Plan

Budget Plan was identified in the department's strategic planning meetings conducted this spring as a key support product because it has a huge impact on and is vital to the success of the key operational products of the department.

Baseline information, benchmarks, measures, and targets are being researched and developed during Fiscal Year 2004.



## Cash Management Services

Cash Management Services was identified in the department's strategic planning meetings conducted this spring as a key support product because it has a huge impact on and is vital to the success of the key operational products of the department.

Baseline information, benchmarks, measures, and targets are being researched and developed during Fiscal Year 2004.



## Criminal Investigation Case

Measure	FY 1999 Baseline	FY 2003 Results	Benchmarks			Targets		
			A.	B.	C.	FY 2004	FY 2005	FY 2006
Number of cases initiated	802	890				890	990	990
Number of cases completed	781	870				960	1020	1060
Number of completed investigation cases completed by category:								
Insufficient Evidence	169	111				145	145	145
Successful Resolution	257	247				280	305	320
Administrative Action	163	289				320	340	355
Prosecution Report	192	223				215	230	240
Number of days to complete an investigation by category:								
Insufficient Evidence	167	136				134	130	120
Successful Resolution	117	142				137	130	120
Administrative Action	88	73				72	72	72
Prosecution Report	135	123				150	150	150
Cost of investigations	\$1,004,869	\$1,028,926				\$1,320,000	\$1,370,000	\$1,420,000
Average cost of one investigation	\$1,287	\$1,183				\$1,375	\$1,343	\$1,340

### Strategies:

- Continue to conduct quarterly strategy meetings to improve completed investigations' outcomes in the areas of tax prosecutions, insufficient evidence, and summons.
- Assist internal customers in identifying criminal violations and implement a referral process.
- Measure the degree to which customer expectations are achieved via focus groups.
- Increase the number of successful prosecutions on completed prosecution reports through communication and planned investigative activities in targeted areas of the state.
- Increase the number of summons issued and prosecuted through additional agent and prosecutor training.
- Decrease the amount of time to complete a dealer investigative report by creating a template to use in advertising investigations.
- Set targets and strategies in order to innovate and improve.
- Implement additional phases of Lotus notes to improve case tracking, and provide better accounting of time spent and costs of investigations.





## Facilities

Facilities was identified in the department's strategic planning meetings conducted this spring as a key support product because it has a huge impact on and is vital to the success of the key operational products of the department.

Baseline information, benchmarks, measures, and targets are being researched and developed during Fiscal Year 2004.



## Human Resources

Human Resources was identified in the department's strategic planning meetings conducted this spring as a key support product because it has a huge impact on and is vital to the success of the key operational products of the department.

Baseline information, benchmarks, measures, and targets are being researched and developed during Fiscal Year 2004.



# Information Technology Network

Measure	FY 2003 Baseline	FY 2003 Results	Benchmarks			Targets		
			A. Industry Standard	B.	C.	FY 2004	FY 2005	FY 2006
Percent of time network is available (uptime)	99.404%	99.404%	99.999%			99.600%	99.700%	99.800%

## Strategies:

- Develop network plan to provide the optimum level of network availability (minimizing unscheduled downtime).
- Develop help desk, network monitoring, and performance reports to be used to measure critical factors affecting network availability and to guide in identifying network needs to meet customer (agency) expectations for network performance.
- Develop communication practices to provide the right customers with the right information at the right time regarding scheduled and unscheduled network outages.
- Refine metrics for evaluating network risk, outage tolerance, outage impact, and project priorities.
- Designate network plan action items as formal projects with assigned resources, priorities, dependencies, action items, budget, and delivery dates.



## Information Technology Web Site

Measure	FY 1999	FY 2003	Benchmarks			Targets		
	Baseline	Results	A.	B.	C.	FY 2004	FY 2005	FY 2006
Percentage of customers indicating satisfaction with website	(FY 2001) 61%	45%				75%	80%	85%
Number of homepage hits (millions)	0.3	1.1				1.5	2.0	2.5
Number of transactions available online	0	13				18	20	24
Number of e-mails received	(FY 2001) 6,500	5,970				5,400	5,000	5,000

### Strategies:

- Continue to encourage technical training as appropriate to keep pace with technological changes.
- Obtain training in new programming languages, technology, and other developments as they occur.
- Continue to nurture the web liaison relationships.
- Conduct a formal study of users' needs and expectations.
- Continue to study and implement adaptive technologies as appropriate to better understand disabled users.
- Continue to monitor legislation at all levels, including Federal executive agency policies.



**Information  
Technology  
Programming Support**

Programming Support was identified in the department's strategic planning meetings conducted this spring as a key support product because it has a huge impact on and is vital to the success of the key operational products of the department.

Baseline information, benchmarks, measures, and targets are being researched and developed during Fiscal Year 2004.

**Information  
Technology  
Telecommunications**

Telecommunications was identified in the department's strategic planning meetings conducted this spring as a key support product because it has a huge impact on and is vital to the success of the key operational products of the department.

Baseline information, benchmarks, measures, and targets are being researched and developed during Fiscal Year 2004.



## Insurance Verification (Enhanced Sampling Program)

Measure	FY 2002 Baseline	FY 2003 Results	Benchmarks			Targets		
			A. Utah	B. Colorado	C. Florida	FY 2004	FY 2005	FY 2006
Error rate of monthly insurance information	5%	2.7%	3.8%	2.5%	7%	1.5%	1.0%	0.5%
Percentage of sampling notices returned as non-deliverable	18%	5%	13%	Not tracked	Considers it a non-response	4%	3%	2%
Percentage of ESP-sampled individuals that should not have been sampled (e.g., vehicle sold/traded/junked/not registered/etc.)	N/A	42%	33%	5%	32%	35%	28%	20%
Percentage of ESP-sampled individuals found to not have insurance	11%	10%	8.6%	12%	7%	9%	8%	7%

### Strategies:

- Monitor company error rates using Insurance Partners Information database.
  - Provide monthly error feedback to companies and monitor corrective actions.
  - Consider repeated failure to correct errors as non-compliance and provide information on non-compliant companies to Missouri Department of Insurance (MDI).
- Monitor the number of returned sampling notices due to bad addresses. Compare the Missouri Driver License System (MODL) address with the insurance company-provided address. Use the insurance company-provided address if it is newer. Ensure MODL address is checked against National Change of Address program.
- Monitor the percentage of ESP-sampled individuals that should not have been sampled (e.g., vehicle sold/traded/junked/not registered/etc.). Expand the sampling edits to compare the insurance company-provided Vehicle Identification Number (VIN) with the General Registration System (GRS).
- Monitor the number and percentage of individuals who do not have insurance on a vehicle that they still own and operate.



## Legal Support

Legal Support was identified in the department's strategic planning meetings conducted this spring as a key support product because it has a huge impact on and is vital to the success of the key operational products of the department.

Baseline information, benchmarks, measures, and targets are being researched and developed during Fiscal Year 2004.



## Legislative Support

Legislative Support was identified in the department's strategic planning meetings conducted this spring as a key support product because it has a huge impact on and is vital to the success of the key operational products of the department.

Baseline information, benchmarks, measures, and targets are being researched and developed during Fiscal Year 2004.





## Mail

Measure	FY 2001 Baseline	FY 2003 Results	Benchmarks			Targets		
			A. MO Dept. of Insurance	B. Mo Dept. of Natural Resources	C.	FY 2004	FY 2005	FY 2006
Number of incoming pieces of mail (thousands) 1	7,547	6,584				6,500	6,374	6,119
Number of outgoing pieces of mail (thousands) 2, 3	17,951	15,584	264	412		15,305	14,540	13,813
Postage costs (thousands) 2, 3,	\$7,345	\$6,770	\$238	\$405		\$6,961	\$6,762	\$6,423
Turnaround time to distribute incoming mail May through December (hours) 1	1.9	1.6	Same day as received	Noon of day received		1.4	1.3	1.2
Turnaround time to distribute incoming mail January through April (hours)	3.0	2.4	Same day as received	Noon of day received		2.3	2.2	2.1

### Notes:

- 1 The Department of Insurance (DOI) and the Department of Natural Resources (DNR) pick-up mail twice daily from the Post Office. The Department of Revenue picks up four times daily from the Post Office.
- 2 Fiscal Year 2003 excludes Article X mailing costs.
- 3 Fiscal Year 2004 and forward will have an increase in motor vehicle title mailings of 1.1 million with a corresponding postage cost increase of \$309,000 (SB 895) and a decrease of 656,000 driver license renewal mailings (due to six-year driver license) for a corresponding savings of \$118,000.

### Strategies:

- Continue to implement postage savings recommended by the Leadership Development Program (LDP) Mail Team.
- Continue to assist divisions in implementing electronic filing and payment methods.
- Update internal Mail Service Center procedures and the Mail User Guide.
- Work with divisions and the United States Postal Service to divide and reassign drop boxes and post office boxes and/or add more specific information to the department's return addresses.



## Purchasing

Measure	FY 2001	FY 2003	Benchmarks			Targets	
	Baseline	Results	A. MO Dept. of Insurance	B. Mo Dept. of Natural Resources	FY 2004	FY 2005	FY 2006
Number of days turnaround time to place non-bid orders (including special delivery orders)	2.8	1.5	Same day receipt of purchase requisition		1.5	1.4	1.3
Number of days turnaround time to place <u>commodity</u> orders bid by the department (written bids) (includes vendor response time) 1	12.3	12.6	30 days from receipt of approval		12.6	12.6	12.6
Number of days turnaround time to place <u>service</u> orders bid by the department (written bids) (includes vendor response time) 1	13.0	17.5	30 days from receipt of approval		17.5	17.5	17.5
Number of days turnaround time to place orders bid by the department using telephone bids (includes vendor response time) 1	3.3	4.7	Five to ten days from receipt of approval		4.7	4.7	4.7
Percent of purchases to minority and women owned businesses per Executive Order 98-21 (bids conducted by the department buyers) 2	16%	28%	14% minority .04% women	15% minority 10% women	20%	20%	20%

### Notes:

- 1 Targets were not lowered from Fiscal Year 2003 results because vendors are complaining about the amount of response time the buyers are allowing. If the buyers reduce the vendor response time any further, it most likely will reduce the number and quality of proposals the department receives, thus causing higher prices.
- 2 The department has flexibility of vendors to use for only 3 percent of its operating expenditures. The department is required to purchase from statewide contracts, state agencies such as the State Data Center and Missouri Vocational Enterprises, and from monopolies for such expenses as utilities, postage, etc. With only 3 percent of operating expenditures available to buy from Minority Business Enterprises/Women Business Enterprises ( MBE/WBE), it is difficult to target above 20 percent.

### Strategies:

- Review statutes and regulations and make recommendations to the Office of Administration for additional changes to streamline purchasing process.
- Attend workshops and network with Minority Business Enterprises/Women Business Enterprises (MBE/WBE) to increase participation in state procurement.
- Continue to establish contracts and order products in a way to reduce costs.



## Regulations

### Division of Taxation and Collection, General

Measure	FY 2002	FY 2003	Benchmarks			Targets		
	Baseline	Results	A.	B.	C.	FY 2004	FY 2005	FY 2006
Percentage of regulations reviewed and revised:								
Sales/Use	51%	80%				100%		
Personal Income	N/A	0%				50%	75%	100%
Corporate/Franchise	N/A	4%				50%	75%	100%
Inheritance/Estate	N/A	25%				50%	100%	
Financial Institutions	N/A	0%				100%		
Motor Fuel	N/A	0%				50%	100%	
Cigarette/OTP	N/A	0%				50%	100%	
Chapters 1, 41, 42	N/A	0%				100%		
Chapter 43	100%							

#### Strategies:

- Continue reviewing and recommending changes to taxation and general regulations.
- Work with the Office of Legislation and Regulations (OLR) to draft necessary legislation for the motor fuel tax product.

## Regulations

### Division of Motor Vehicle and Drivers Licensing

Measure	FY 2003	FY 2003	Benchmarks			Targets		
	Baseline	Results	A.	B.	C.	FY 2004	FY 2005	FY 2006
Percentage of regulations reviewed and revised:								
Chapter 23-Motor Vehicle	57%	57%				100%		
Chapter 26-Dealer Licensure	84%	84%				100%		
Chapter 24-Driver License	58%	58%				100%		
Chapter 25-Motor Vehicle Financial Responsibility	100%	100%						

#### Strategies:

- Continue reviewing and recommending changes to motor vehicle and driver licensing regulations.



## Training Plan

Training Plan was identified in the department's strategic planning meetings conducted this spring as a key support product because it has a huge impact on and is vital to the success of the key operational products of the department.

Baseline information, benchmarks, measures, and targets are being researched and developed during Fiscal Year 2004.

